

NOTICE OF BONDS TO BE ISSUED

NOTICE IS HEREBY GIVEN pursuant to the provisions of the Local Government Bonding Act, Title 11, Chapter 14, Utah Code Annotated 1953, as amended, and the Utah Refunding Bond Act, Title 11, Chapter 27, Utah Code Annotated 1953, as amended (together, the “Act”), that on October 20, 2020, the City Council (the “Council”) of Farmington City, Utah (the “Issuer”), adopted a resolution (the “Resolution”) in which it authorized the issuance of the Issuer’s Sales and Franchise Tax Revenue Refunding Bonds, Series 2020 (the “Series 2020 Bonds”) (to be issued in one or more series and with such other series or title designation(s) as may be determined by the Issuer), and called a public hearing to receive input from the public with respect to (a) the issuance of the Series 2020 Bonds and (b) any potential economic impact that the improvements financed with the proceeds of the Series 2020 Bonds may have on the private sector.

PURPOSE FOR ISSUING THE SERIES 2020 BONDS

The Series 2020 Bonds will be issued for the purpose of (a) refunding certain outstanding sales tax revenue bonds and franchise tax revenue bonds of the Issuer and refinancing an equipment lease (collectively, the “Refunded Bonds”), (b) funding any necessary debt service reserve deposit, and (c) paying costs of issuance with respect to the Series 2020 Bonds.

PARAMETERS OF THE SERIES 2020 BONDS

The Issuer intends to issue the Series 2020 Bonds in the aggregate principal amount of not more than Four Million Five Hundred Thousand Dollars (\$4,500,000), to mature in not more than eight (8) years from their date or dates, to be sold at a price not less than ninety-eight percent (98%) of the total principal amount thereof, and bearing interest at a rate or rates not to exceed five percent (5.00%) per annum. The Series 2020 Bonds are to be issued and sold by the Issuer pursuant to the Resolution, including as part of said Resolution, a General Indenture and a Supplemental Indenture (together, the “Indenture”), which were before the Council in substantially final form at the time of the adoption of the Resolution and said Indenture is to be executed by the Issuer in such form and with such changes thereto as shall be approved by the Issuer; provided that the principal amount, interest rate or rates, maturity, and discount of the Series 2020 Bonds will not exceed the maximums set forth above. The Issuer reserves the right to not issue the Series 2020 Bonds for any reason and at any time up to the issuance of the Series 2020 Bonds.

REVENUES PROPOSED TO BE PLEDGED

The Issuer proposes to pledge all or any portion of the revenues produced by the local sales and use and excise taxes, municipal energy sales and use taxes and franchise tax fees levied by the Issuer (collectively, the “Revenues”).

OUTSTANDING BONDS SECURED BY PLEDGED REVENUES

The Issuer currently has \$4,124,000 of bonds outstanding secured by the Revenues, all of which are anticipated to be refunded with the proposed Series 2020 Bonds for an estimated total outstanding par of \$4,205,000 once the Series 2020 Bonds are issued.

OTHER OUTSTANDING BONDS OF THE ISSUER

Additional information regarding the Issuer's outstanding bonds may be found in the Issuer's financial report (the "Financial Report") at: <http://secure.utah.gov/auditor-search/>. For additional information, including any information more recent than as of the date of the Financial Report, please contact Greg Davis, Finance Director at (801) 451-2383.

TOTAL ESTIMATED COST OF BONDS

Based on the Issuer's current plan of finance and a current estimate of interest rates, the total principal and interest cost of the Series 2020 Bonds, if held until maturity, is \$4,289,957.90.

A copy of the Resolution and the Indenture are on file in the office of the Farmington City Recorder, 160 South Main Street, Farmington, Utah, where they may be examined during regular business hours of the City Recorder from 8:00 a.m. to 5:00 p.m. Monday through Friday, for a period of at least thirty (30) days from and after the date of publication of this notice.

NOTICE IS FURTHER GIVEN that a period of thirty (30) days from and after the date of the publication of this notice is provided by law during which (i) any person in interest shall have the right to contest the legality of the Resolution, the Indenture (as it pertains to the Series 2020 Bonds), or the Series 2020 Bonds, or any provision made for the security and payment of the Series 2020 Bonds, and that after such time, no one shall have any cause of action to contest the regularity, formality, or legality thereof for any cause whatsoever and (ii) registered voters within Farmington City, Utah may sign a written petition requesting an election to authorize the issuance of the Series 2020 Bonds. If written petitions which have been signed by at least 20% of the registered voters of Farmington City, Utah are filed with the Issuer during said 30-day period, the Issuer shall be required to hold an election to obtain voter authorization prior to the issuance of the Series 2020 Bonds. If fewer than 20% of the registered voters of Farmington City, Utah file a written petition during said 30-day period, the Issuer may proceed to issue the Series 2020 Bonds without an election.

DATED this October 20, 2020.

/s/ Holly Gadd
City Recorder